Third Quarter Financial Report 2016-17

For the period ended December 31, 2016

Farm Credit Canada
Advancing the business of agriculture

Canada

Farm Credit Canada

Farm Credit Canada (FCC) is a financially self-sustaining federal Crown corporation, reporting to Parliament through the Minister of Agriculture and Agri-Food. We provide financing and other services to more than 100,000 primary producers, value-added operators, suppliers and processors along the agriculture value chain. Operating from 100 offices located primarily in rural communities, our more than 1,700 permanent employees are passionate about the business of agriculture.

Contact Corporate Communication at communications@fcc-fac.ca for more information.

Third Quarter Financial Report 2016-17
For the period ended December 31, 2016

This report was prepared in accordance with the Treasury Board of Canada Standard on Quarterly Financial Reports for Crown Corporations and should be read in conjunction with disclosures and information contained in FCC's Annual Report and Corporate Plan Summary.[1]

Financial results

This document contains the corporation's unaudited financial results for the third quarter, which ended December 31, 2016. The corporation is on track to meet the financial performance measures for the current fiscal year as outlined in the Corporate Plan Summary for 2016-17 to 2020-21.

Net income overview

($ millions)

	Three months ended		Nine months ended	
	December 31, 2016	December 31, 2015*	**December 31, 2016**	December 31, 2015*
Net interest income	**$ 256.4**	$ 250.5	**$ 747.3**	$ 742.0
Provision for credit losses	**(14.1)**	(2.9)	**(27.4)**	(45.3)
Non-interest income	**6.5**	3.7	**14.4**	20.0
Administration expenses	**(95.2)**	(89.5)	**(274.4)**	(257.7)
Fair value adjustment	**(7.1)**	(2.1)	**(10.8)**	(5.1)
Net income	**$ 146.5**	$ 159.7	**$ 449.1**	$ 453.9

*Restated (see Note 2 of the Notes to the Condensed Consolidated Financial Statements for additional details)

Net income for the nine-month period ended December 31, 2016, decreased by $4.8 million over the prior year. This was mainly due to an increase in administration expenses of $16.7 million, as well as a decrease in fair value adjustment of $5.7 million and non-interest income of $5.6 million. This variance was partially offset by a decrease in provision for credit losses of $17.9 million and an increase in net interest income of $5.3 million.

Net interest income for the nine-month period ended December 31, 2016, increased by $5.3 million primarily due to higher portfolio volumes partially offset by lower margins. The net interest margin for the nine-month period ended December 31, 2016, decreased to 3.16% from 3.33% for the comparable period in 2015-16, mainly due to competition in the marketplace.

The provision for credit losses for the nine-month period ended December 31, 2016, decreased $17.9 million over the prior year. The decrease reflects continued strong portfolio health.

Non-interest income for the nine-month period ended December 31, 2016, decreased $5.6 million mainly due to a decrease in net income from investment in associates, which is primarily related to higher unrealized gains recorded in the prior year, offset by an increase in net insurance income.

Administration expenses increased $16.7 million year-over-year mainly due to an increase in professional fees, salaries, and facilities expense, partially offset by a decrease in pension-related benefit expenses.

The decrease in the fair value adjustment for the nine-month period was primarily due to changes in fair value of financial instruments and venture capital investments.

[1] These documents are available at www.fcc-fac.ca/en/about-fcc/governance/reports.html

Loans receivable

FCC experienced overall growth in loans receivable of $2,499 million from March 31, 2016, bringing its loan portfolio to $31,155 million at December 31, 2016. Loan portfolio growth of 8.7% for the nine months ended December 31, 2016, was higher than the loan portfolio growth of 6.0% for the first nine months of the prior fiscal year. This was mainly due to higher net disbursements in the current fiscal year. Net disbursements for the nine months ended December 31, 2016, were $8,444 million, an increase of $1,256 million, or 17.5%, over the nine months ended December 31, 2015.

Cash flow

Cash and cash equivalents at December 31, 2016, decreased by $605 million from $1,471 million at December 31, 2015. For the nine-month period ended December 31, 2016, cash of $1,985 million and $97.7 million was used in operating activities and investing activities respectively, while $2,117 million was provided by financing activities. Included within financing activities was a dividend paid of $268.3 million. The dividend is higher than the projected $57.4 million reported in the Corporate Plan Summary as a result of aligning dividend payments with the capital management policy.

Outlook against Corporate Plan Summary

FCC is projected to meet or exceed all year-end financial targets as outlined in the Corporate Plan Summary for 2016-17 to 2020-21.

Measure	Outlook
Net income	On track with Corporate Plan
Return on equity	On track with Corporate Plan
Efficiency ratio	On track with Corporate Plan
Total capital ratio	On track with Corporate Plan

Enterprise risk management

FCC has an enterprise risk management framework to manage risks efficiently, consistently and in a co-ordinated manner. The corporation is exposed to six main categories of risk: credit, market, liquidity, operational, strategic and reputation.

The FCC Board of Directors oversees the corporation's risk governance framework, which is supported by policies and committees that guide corporate decision-making. The Risk Committee of the Board reviews risk reporting quarterly.

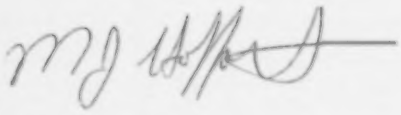
FCC's risk assessment process includes risk identification and assessment, measurement, control, monitoring and reporting. This is an ongoing process for credit and market risk. All risks are assessed annually during the strategic planning process and constitute the corporation's risk profile. Enterprise Management Team members are responsible for developing and implementing risk management strategies and action plans to mitigate the corporation's top risks.

Based on these processes, no new material risks were identified this quarter.

Statement of management responsibility

Management is responsible for the preparation and fair presentation of these consolidated quarterly financial statements in accordance with the Treasury Board of Canada Standard on Quarterly Financial Reports for Crown Corporations, and for such internal controls as management determines is necessary to enable the preparation of consolidated quarterly financial statements that are free from material misstatement. Management is also responsible for ensuring that all other information in this quarterly report is consistent, where appropriate, with the consolidated quarterly financial statements.

Based on our knowledge, these unaudited consolidated quarterly financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the corporation, as at the date of and for the periods presented in the consolidated quarterly financial statements.



Michael Hoffort, P.Ag.
President and Chief Executive Officer

Rick Hoffman, CPA, CMA, MBA
Executive Vice-President and Chief Financial Officer

Regina, Canada
February 7, 2017

Condensed Consolidated Financial Statements
Consolidated Balance Sheet

(Unaudited) (thousands of Canadian dollars)		Dec. 31, 2016		March 31, 2016
Assets				
Cash and cash equivalents	$	**866,056**	$	831,387
Temporary investments		**380,999**		337,049
Accounts receivable		**25,982**		24,820
Derivative financial assets		**34,956**		47,510
		1,307,993		1,240,766
Loans receivable – net (Notes 3 and 4)		**30,924,223**		28,445,647
Finance leases receivable – net		**15,655**		14,736
Investment in associates		**60,192**		55,489
Venture capital investments		**54,479**		41,977
		31,054,549		28,557,849
Equipment and leasehold improvements		**21,443**		22,254
Computer software		**33,764**		33,307
Equipment under operating leases		**86,975**		75,384
Other assets		**21,600**		21,345
		163,782		152,290
Total assets	$	**32,526,324**	$	29,950,905
Liabilities				
Accounts payable and accrued liabilities	$	**60,724**	$	63,813
Derivative financial liabilities		**121**		422
		60,845		64,235
Borrowings (Note 5)				
Short-term debt		**12,166,831**		12,352,406
Long-term debt		**14,476,027**		11,910,379
		26,642,858		24,262,785
Transition loan liability		**137,290**		105,222
Post-employment benefit liabilities		**146,422**		146,299
Other liabilities		**19,408**		18,293
		303,120		269,814
Total liabilities		**27,006,823**		24,596,834
Equity				
Contributed surplus		**547,725**		547,725
Retained earnings		**4,879,609**		4,698,824
Accumulated other comprehensive income		**91,637**		107,121
Equity attributable to shareholder of parent entity		**5,518,971**		5,353,670
Non-controlling interest		**530**		401
		5,519,501		5,354,071
Total liabilities and equity	$	**32,526,324**	$	29,950,905

The accompanying notes are an integral part of the condensed consolidated financial statements.

Consolidated Statement of Income

(Unaudited) (thousands of Canadian dollars)	Three months ended Dec. 31, 2016	Three months ended Dec. 31, 2015 Restated Note 2	Nine months ended Dec. 31, 2016	Nine months ended Dec. 31, 2015 Restated Note 2
Interest income	$ 307,123	$ 298,297	$ 887,184	$ 890,036
Interest expense	50,721	47,806	139,856	148,020
Net interest income	256,402	250,491	747,328	742,016
Provision for credit losses	14,146	2,913	27,442	45,270
Net interest income after provision for credit losses	242,256	247,578	719,886	696,746
Net insurance income	4,609	703	12,515	7,446
Net income from investment in associates	2,335	3,333	2,562	12,868
Other income	(344)	(207)	(672)	(359)
Net interest income and non-interest income	248,856	251,407	734,291	716,701
Administration expenses				
Salary expense	40,881	40,245	122,487	117,487
Benefits expense	16,885	16,817	50,246	52,247
Professional fees expense	10,648	10,414	34,025	28,478
Facilities, software and equipment expense	9,040	8,427	27,657	23,133
Amortization and depreciation expense	5,876	4,308	14,301	13,429
Travel and training expense	4,614	4,041	9,847	9,534
Marketing and promotion expense	2,282	2,080	5,216	4,550
Other expenses	4,987	3,217	10,577	8,822
Total administration expenses	95,213	89,549	274,356	257,680
Net income before fair value adjustment	153,643	161,858	459,935	459,021
Fair value adjustment	(7,142)	(2,118)	(10,823)	(5,138)
Net income	$ 146,501	$ 159,740	$ 449,112	$ 453,883
Net income attributable to:				
Shareholder of parent entity	$ 146,489	$ 159,734	$ 449,085	$ 453,865
Non-controlling interest	12	6	27	18

The accompanying notes are an integral part of the condensed consolidated financial statements.

Consolidated Statement of Comprehensive Income

(Unaudited) (thousands of Canadian dollars)	Three months ended Dec. 31, 2016	Three months ended Dec. 31, 2015 Restated Note 2	Nine months ended Dec. 31, 2016	Nine months ended Dec. 31, 2015 Restated Note 2
Net income	**$ 146,501**	$ 159,740	**$ 449,112**	$ 453,883
Other comprehensive income				
Items that are or may be reclassified to net income				
Transfer of net realized gains on derivatives designated as cash flow hedges to net income	**(5,475)**	(5,921)	**(16,365)**	(17,907)
Net unrealized (losses) gains on available-for-sale financial assets	**(3)**	(640)	**881**	(665)
Total other comprehensive loss	**$ (5,478)**	$ (6,561)	**$ (15,484)**	$ (18,572)
Total comprehensive income	**$ 141,023**	$ 153,179	**$ 433,628**	$ 435,311
Total comprehensive income (loss) attributable to:				
Shareholder of parent entity	**$ 141,011**	$ 153,173	**$ 433,601**	$ 435,293
Non-controlling interest	**12**	6	**27**	18

The accompanying notes are an integral part of the condensed consolidated financial statements.

Consolidated Statement of Changes in Equity

(Unaudited)
(Thousands of Canadian dollars)

	Balance Oct. 1, 2016	Net income	Other comprehensive income	Dividend paid	Distributions to non-controlling interest	**Balance Dec. 31, 2016**
Contributed surplus	**$ 547,725**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 547,725**
Retained earnings	**5,001,420**	**146,489**	**-**	**(268,300)**	**-**	**4,879,609**
Net gains (losses) on derivatives designated as cash flow hedges	**97,289**	**-**	**(5,475)**	**-**	**-**	**91,814**
Net unrealized losses on available-for-sale financial assets	**(174)**	**-**	**(3)**	**-**	**-**	**(177)**
Total accumulated other comprehensive income (loss)	**97,115**	**-**	**(5,478)**	**-**	**-**	**91,637**
Total equity attributable to parent	**5,646,260**	**146,489**	**(5,478)**	**(268,300)**	**-**	**5,518,971**
Non-controlling interest	**593**	**12**	**-**	**-**	**(75)**	**530**
Total	**$ 5,646,853**	**$ 146,501**	**$ (5,478)**	**$ (268,300)**	**$ (75)**	**$ 5,519,501**

(Unaudited)
(Thousands of Canadian dollars)

	Balance Oct. 1, 2015 Restated Note 2	Net income Restated Note 2	Other comprehensive income	Dividend declared	Contributions from non-controlling interest	Balance Dec. 31, 2015 Restated Note 2
Contributed surplus	$ 547,725	$ -	$ -	$ -	$ -	$ 547,725
Retained earnings	4,469,987	159,734	-	(90,380)	-	4,539,341
Net gains (losses) on derivatives designated as cash flow hedges	119,515	-	(5,921)	-	-	113,594
Net unrealized losses on available-for-sale financial assets	(582)	-	(640)	-	-	(1,222)
Total accumulated other comprehensive income (loss)	118,933	-	(6,561)	-	-	112,372
Total equity attributable to parent	5,136,645	159,734	(6,561)	(90,380)	-	5,199,438
Non-controlling interest	358	6	-	-	41	405
Total	$ 5,137,003	$ 159,740	$ (6,561)	$ (90,380)	$ 41	$ 5,199,843

The accompanying notes are an integral part of the condensed consolidated financial statements

Consolidated Statement of Changes in Equity (continued)

(Unaudited)
(Thousands of Canadian dollars)

	Balance Apr. 1, 2016	Net income	Other comprehensive income	Dividend paid	Contributions from non-controlling interest	**Balance Dec. 31, 2016**
Contributed surplus	**$ 547,725**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 547,725**
Retained earnings	**4,698,824**	**449,085**	**-**	**(268,300)**	**-**	**4,879,609**
Net gains (losses) on derivatives designated as cash flow hedges	**108,179**	**-**	**(16,365)**	**-**	**-**	**91,814**
Net unrealized losses on available-for-sale financial assets	**(1,058)**	**-**	**881**	**-**	**-**	**(177)**
Total accumulated other comprehensive income (loss)	**107,121**	**-**	**(15,484)**	**-**	**-**	**91,637**
Total equity attributable to parent	**5,353,670**	**449,085**	**(15,484)**	**(268,300)**	**-**	**5,518,971**
Non-controlling interest	**401**	**27**	**-**	**-**	**102**	**530**
Total	**$ 5,354,071**	**$ 449,112**	**$ (15,484)**	**$ (268,300)**	**$ 102**	**$ 5,519,501**

(Unaudited)
(Thousands of Canadian dollars)

	Balance Apr. 1, 2015 Restated Note 2	Net income Restated Note 2	Other comprehensive income	Dividend declared	Contributions from non-controlling interest	Balance Dec. 31, 2015 Restated Note 2
Contributed surplus	$ 547,725	$ -	$ -	$ -	$ -	$ 547,725
Retained earnings	4,175,856	453,865	-	(90,380)	-	4,539,341
Net gains (losses) on derivatives designated as cash flow hedges	131,501	-	(17,907)	-	-	113,594
Net unrealized losses on available-for-sale financial assets	(557)	-	(665)	-	-	(1,222)
Total accumulated other comprehensive income (loss)	130,944	-	(18,572)	-	-	112,372
Total equity attributable to parent	4,854,525	453,865	(18,572)	(90,380)	-	5,199,438
Non-controlling interest	315	18	-	-	72	405
Total	$ 4,854,840	$ 453,883	$ (18,572)	$ (90,380)	$ 72	$ 5,199,843

The accompanying notes are an integral part of the condensed consolidated financial statements.

Consolidated Statement of Cash Flows

(Unaudited) (thousands of Canadian dollars)	Three months ended Dec. 31, 2016	Three months ended Dec 31, 2015 Restated Note 2	Nine months ended Dec. 31, 2016	Nine months ended Dec 31, 2015 Restated Note 2
Operating activities				
Net income	$ 146,501	$ 159,740	$ 449,112	$ 453,883
Adjustments to determine net cash (used in) provided by operating activities:				
Net interest income	(256,402)	(250,491)	(747,328)	(742,016)
Unwind adjustment on impaired loans	(853)	(1,110)	(2,900)	(4,606)
Provision for credit losses	14,146	2,913	27,442	45,270
Fair value adjustment	7,142	2,118	10,823	5,138
Net income from investment in associates	(2,335)	(3,333)	(2,562)	(12,868)
Amortization and depreciation	5,876	4,308	14,301	13,429
Other	143	420	400	14,140
Net cash outflow from loans receivable	(655,186)	(538,699)	(2,494,864)	(1,676,766)
Net cash inflow (outflow) from finance leases receivable	395	303	(613)	1,062
Net change in other operating assets and liabilities	38,213	23,991	29,911	52,612
Interest received	340,826	353,858	860,638	894,195
Interest paid	(50,764)	(59,085)	(128,898)	(148,519)
Cash used in operating activities	$ (412,298)	$ (305,067)	$ (1,984,538)	$ (1,105,046)
Investing activities				
Net cash outflow from temporary investments	$ (13,044)	$ (123,231)	$ (43,043)	$ (123,231)
Acquisition of venture capital investments	(1,667)	(6,313)	(23,576)	(12,864)
Proceeds on disposal and repayment of venture capital investments	7,500	1,831	10,000	4,163
Net cash (outflow) inflow from investment in associates	(263)	1,714	(2,141)	40,789
Purchase of equipment and leasehold improvements	(1,937)	(3,255)	(4,890)	(10,344)
Purchase of computer software	(5,464)	(4,430)	(9,072)	(12,833)
Purchase of equipment under operating leases	(14,793)	(8,262)	(41,419)	(20,870)
Proceeds on disposal of equipment under operating leases	6,984	1,879	16,467	9,433
Cash used in investing activities	$ (22,684)	$ (140,067)	$ (97,674)	$ (125,757)
Financing activities				
Long-term debt issued	$ 2,740,000	$ 3,208,000	$ 7,743,000	$ 9,158,000
Long-term debt repaid	(2,125,934)	(2,663,836)	(6,846,601)	(7,269,036)
Short-term debt issued	4,077,053	4,105,398	13,160,738	16,079,286
Short-term debt repaid	(3,903,022)	(3,919,040)	(11,671,684)	(16,416,624)
Dividend paid	(268,300)	-	(268,300)	-
Cash provided by financing activities	$ 519,797	$ 730,522	$ 2,117,153	$ 1,551,626
Change in cash and cash equivalents	$ 84,815	$ 285,388	$ 34,941	$ 320,823
Cash and cash equivalents, beginning of period	781,428	1,186,211	831,387	1,164,315
Effects of exchange rate changes on the balances of cash held and due in foreign currencies	(187)	(908)	(272)	(14,447)
Cash and cash equivalents, end of period	$ 866,056	$ 1,470,691	$ 866,056	$ 1,470,691
Cash and cash equivalents are comprised of:				
Cash	$ 162,705	$ 120,884	$ 162,705	$ 120,884
Short-term investments	703,351	1,349,807	703,351	1,349,807

The accompanying notes are an integral part of the condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements (Unaudited)

1. Significant accounting policies

Basis of presentation

The condensed consolidated interim financial statements (interim financial statements) comply with the Standard on Quarterly Financial Reports for Crown Corporations issued by the Treasury Board of Canada.

These interim financial statements do not include all of the information required for complete annual financial statements and should be read in conjunction with the annual audited financial statements for the year ended March 31, 2016.

Unless otherwise stated, all dollar amounts presented in the Notes to the Condensed Consolidated Financial Statements are in thousands of Canadian dollars, which is the functional currency of FCC.

Accounting policies

The accounting policies adopted in the preparation of these interim financial statements are consistent with those followed in the annual, audited financial statements for the year ended March 31, 2016.

1. Significant accounting policies (continued)

Accounting standards issued but not yet effective

FCC has reviewed the new standards and amendments that have been issued but are not yet effective and determined that the following may have an impact on FCC in the future. Management is in the process of assessing the impact of these standards and amendments on FCC's financial statements and accounting policies, and therefore the extent of the impact of the adoption of these standards and amendments is unknown. A number of other amendments and improvements that have been issued by the IASB but are not yet effective are not listed below as FCC determined that they will not have a significant impact on the consolidated financial statements.

Standard	Details	Date of initial application
IFRS 15 – Revenue from Contracts with customers	The IASB issued IFRS 15, which establishes principles for reporting about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.	April 1, 2018
IFRS 9 – Financial Instruments	In July 2014, the IASB issued the complete version of IFRS 9, first issued in November 2009, which brings together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39. IFRS 9 introduces a principles-based approach to the classification of financial assets based on an entity's business model and the nature of the cash flows of the asset. It is anticipated that this standard will change the classification of FCC's temporary investments and cash equivalents from available-for-sale to amortized cost. It is also anticipated this standard will change the classification and measurement of FCC's venture capital investments from FVTPL to amortized cost. IFRS 9 also introduces an expected loss impairment model for all financial assets not at fair value through profit and loss. The model has three stages: (1) on initial recognition, 12-month expected credit losses are recognized in profit or loss and a loss allowance is established (2) if credit risk increases significantly and the resulting credit risk is not considered to be low, full lifetime expected credit losses are recognized (3) when a financial asset is considered credit-impaired, interest revenue is calculated based on the carrying amount of the asset, net of the loss allowance, rather than its gross carrying amount An enterprise-wide project has been established to meet the requirement to adopt IFRS 9. It is supported by a formal governance framework and a robust implementation plan. IFRS 9 also introduces a new hedge accounting model that aligns the accounting for hedge relationships more closely with an entity's risk management activities.	April 1, 2018
IFRS 16 – Leases	In January 2016, the IASB issued IFRS 16, which requires all leases to be reported on a lessee's balance sheet as assets and liabilities. There are also changes in accounting over the life of the lease. In particular, lessees will now recognize a front-loaded pattern of expense for most leases, even when they pay constant annual rentals. It is anticipated this standard will result in an increase in both lease assets and lease liabilities on the balance sheet as well as an accelerated pattern for expense recognition. Lessor accounting remains similar to current practice as lessors continue to classify leases as finance and operating leases.	April 1, 2019

2. Prior period error

During the prior year, FCC reassessed the accounting for the Avrio Equity Funds and it was concluded that they should not be accounted for using the consolidation method. FCC has significant influence over the Avrio Equity Funds, therefore these funds are investments in associates and should be accounted for using the equity method. The corporation has retroactively corrected these errors and restated the comparative figures in these interim financial statements for the three- and nine-month periods ended December 31, 2015.

3. Loans receivable – net

	Term to maturity				
($ thousands)	**Within 1 year**	**1 - 5 years**	**Over 5 years**	**Dec. 31, 2016**	March 31, 2016
Floating	$ **3,274,868**	$ **13,551,249**	$ **561,968**	$ **17,388,085**	$ 16,514,801
Fixed	**3,255,667**	**8,577,105**	**1,957,559**	**13,790,331**	12,162,015
Gross loans receivable	**6,530,535**	**22,128,354**	**2,519,527**	**31,178,416**	28,676,816
Deferred loan fees				**(23,377)**	(21,139)
Loans receivable – total				**31,155,039**	28,655,677
Allowance for credit losses				**(230,816)**	(210,030)
Loans receivable – net				$ **30,924,223**	$ 28,445,647

4. Allowance for credit losses – loans receivable

($ thousands)	**Dec. 31, 2016**	March 31, 2016
Individual allowance, beginning of period	$ **87,686**	$ 93,433
Provision for credit losses	**4,010**	30,601
Losses covered under the Hog Industry Loan Loss Reserve Program	**732**	(1,313)
Unwind adjustment on impaired loans	**(2,900)**	(2,630)
Writeoffs	**(5,284)**	(35,700)
Recoveries	**2,059**	3,295
Individual allowance, end of period	$ **86,303**	$ 87,686
Collective allowance, beginning of period	$ **122,344**	$ 112,823
Provision for credit losses	**23,414**	11,983
Losses covered under the Hog Industry Loan Loss Reserve Program	**(124)**	577
Writeoffs	**(1,684)**	(3,719)
Recoveries	**563**	680
Collective allowance, end of period	$ **144,513**	$ 122,344
Total allowance	$ **230,816**	$ 210,030

5. Borrowings

Short-term debt

($ thousands)		Dec. 31, 2016		March 31, 2016
Government of Canada debt				
Floating-rate borrowings	$	7,428,421	$	7,960,648
Fixed-rate borrowings		4,263,026		3,939,463
		11,691,447		11,900,111
Capital markets debt				
USD fixed-rate promissory notes (1)		475,384		452,295
Total	$	12,166,831	$	12,352,406

(1) $353.8 million USD (March 31, 2016 - $348.1 million USD)

Long-term debt

($ thousands)		Dec. 31, 2016		March 31, 2016
Government of Canada debt				
Floating-rate borrowings	$	9,797,596	$	7,749,307
Fixed-rate borrowings		4,372,549		3,851,430
		14,170,145		11,600,737
Capital markets debt				
Retail and institutional fixed-rate notes		305,882		309,642
Total	$	14,476,027	$	11,910,379